

BILL FOR IRRIGATION PROJECT PRESENTED TO WATER USERS

Decided In Meeting of Board
of Governors to Ask Sec-
retary Lane for a Cor-
rection of it by Some
Millions

AS IT STANDS NOW
IT IS \$11,000,000+

Every Board and Body
Passing On It Added Ma-
terially to the Figures,
Reclamation Commission
Putting on Finish

The most momentous meeting in
the history of the Salt River Valley
Water Users' Association was held
yesterday morning for the considera-
tion of the report of the central cost
review board fixing the amount of re-
payment for the cost of the Salt River
irrigation project.

The general nature of the report
had been made to the members of the
board of governors and the council of
the association so that there was a
larger attendance of members of the
association upon the meetings of both
bodies than usual.

This important subject was taken
up in the board of governors in the
morning session, in the course of the
transaction of routine business and
occupied all the rest of the session.
Disappointing as the report had been,
the members of the board did not
indulge in any extravagance of ex-
pression, but there was a general be-
lief that a way would be opened to
overcome the findings of the report
and the decision of the reclamation
commission, the latter placing the
charges against the project at some-
thing more than \$11,000,000.

It had been learned that the report
of the central review board had fixed
the charges at a little more than
\$10,000,000, as against about \$7,500,000
in the report of the local board of cost
review. The greater figures of the
reclamation commission, making
charges of \$64 an acre, therefore, were
not at once understood, but a letter
was read from Morris Brien, the legal
adviser of the commission, in which,
relying upon the case of Swygart
against Baker, the commission had not
only declined to make a reduction on
account of unnecessary construction,
excess charges or experimental work,
but had actually added something more
than \$300,000 to the charges on ac-
count of prospective construction work.

That the commission was unfamiliar
with certain phases of the subject
was shown in the refusal to allow a
deduction for the O'Rourke equipment,
for which the central board had al-
lowed \$15,000. Mr. Brien added that
if any part of the equipment which
had been charged to the Salt River
Valley project should be found to be
applicable to another project, this
project would be allowed credit for such
part of it as might be used.

Mr. Brien was unaware of the very
material fact that there is now no
O'Rourke equipment. It had had a
valuation of \$25,000 placed upon it by
the reclamation service and was later
sold as junk for \$2,000.

Judge Kibbey supplemented a
statement concerning the report by
replying to various inquiries and
suggestions by members of the
board. Finally a motion was offered
by E. J. Bonnett for the sending of
a delegation to Washington to lay
the case of the association before the
secretary of the interior, or, rather,
first, before the reclamation commis-
sion and, if necessary, before con-
gress as a last resort. Mr. Bonnett
suggested that Judge Kibbey head
such a committee of the association
and should be accompanied by Fred
A. Jones, who had been a member
of the local board of cost review.

Dr. Wilbur suggested, not in the way
of an amendment, however, that the
officials of the reclamation service be
sent for, to come to Phoenix so that
the investigation might be conducted
on the ground. Mr. Bonnett's motion
at length prevailed. It will take no
less than a month to prepare the nec-
essary data for presentation to the
interior department.

In the afternoon session the matter
was laid before the board of gov-
ernors and the council in joint session.
(Continued on Page Five.)

Central Review Board's Estimate Of The Cost

U. S. RECLAMATION SERVICE
WASHINGTON, D. C.
Office of the Director, Jan. 15, 1916.
Mr. John P. Orme,
President Water Users' Association
Phoenix, Arizona.

Dear Sir: Your letter of December
15th concerning the hearing on the
cost of the Salt River Project was
duly received.

From this it is inferred that the
association is not prepared to be
heard on this subject until further in-
formation is received from the com-
mission concerning its decision. This
is very like asking the court to an-
nounce its decision before the attor-
ney makes his argument.

The attitude of the association is
supposed to be known from the pro-
ceedings of the local board of re-
view, at which the association was
fully heard. The annual cost of the
project is also shown in the same
proceedings, and the provisions of
the law are open to all.

However, the commission is willing
to waive these technicalities and sub-
mit a tentative decision for your scru-
tiny. By order of the commission I
am transmitting herewith a copy of
the report of the central board of
cost review and a draft of public no-
tice which it is proposed to issue at an
early date, concerning the Salt River
Project.

Any exception that the association
desires to make to this will be fully
considered, whether made in writing
or orally, or both. If exceptions are
to be made in writing, the commis-
sion would be pleased to receive them
as soon as possible. If the associa-
tion desires also an oral hearing, the
association is invited to state at what
date it would be convenient to have
this hearing in the city of Washing-
ton, and early advice is requested so
that proper arrangements may be
made for the full commission to be
present.

The commission would be pleased
to have this matter settled at the
earliest practicable date.

Yours truly,
RECLAMATION SERVICE,
(Signed) By A. P. DAVIS,
Chairman.

Nov. 19, 1915.
THE SALT RIVER PROJECT
Hon. Franklin K. Lane,
Secretary of the Interior,

Washington, D. C.
Sir: The central board of review
has received and carefully considered
the majority and minority reports of
the local board of review of the
Salt River Project, Arizona, together
with the exhibits filed with the re-
port and the supplementary state-
ments subsequently submitted by Mr.
John P. Orme, president of the Water
Users' Association of the project, and
by Mr. Fred A. Jones, representative
of the local board of review of the
Water Users' Association.

After a thorough study of these
documents, an inspection of certain
features of the work, and the taking
of additional testimony regarding
agricultural conditions in the valley,

and it is believed in Teutonic
diplomatic circles that Count von
Bernstorff, the German ambassador
may be summoned to the state de-
partment some time during the af-
ternoon and informed of the decision
of the United States.

Confidential advisers received today
from high official quarters are to
the effect that the expressions of op-
timism regarding the outcome of the
negotiations, which have been heard
in certain official and diplomatic cir-
cles are not without foundation. Chairman Stone of the senate for-
eign relations committee declared af-
ter conferring with administration of-
ficials that he believed the case was
"practically settled."

It was authoritatively said at the
state department that the position of
the government today in regard to
the Lusitania case was identical with
the position taken at the time the
last note was dispatched to Ger-
many. Secretary Lansing flatly de-
nied the truth of a statement dis-
tributed in press dispatches to Dr.
Alfred Zimmermann, German under-
secretary of foreign affairs, to the
effect that "new demands" had been
made in the case at a time when the
German government considered the
negotiations virtually were at an end.

The German view as represented
here is that the agreement now of-
fered goes as far as German officials
consider possible toward meet-
ing the views of the United States.

Germany has agreed that reprisals
must not be directed against any
other than enemy subjects. It has
become known that the Berlin gov-
ernment expresses the hope that it
may have the opportunity to co-
operate with the United States in some
action looking toward freedom of the
seas before the end of the war.

The Harvard's steel prow cut into
the Excelsior's engine room and
Chief Engineer J. E. Dowdard was
painfully burned about
the hands and legs by escaping
steam. A fireman and night watch-
man were also scalded but not seriously.

The submerged Excelsior, with only
smokestack and masts visible, floated
off on the tide and the tugs sent
out to find the derelict were ex-
pected to have a long search as a
heavy fog blanketed the bay.

The Excelsior was a wooden ves-
sel and was built at Eureka in
1893.

by two members of the Central Board
of Review, a decision regarding the
different matters in dispute has been
reached and this report, embodying
our conclusions and recommendations,
is herewith respectfully submitted.

Constitution of the Local Board.
The Local Board of Review consisted
of Prof. Thomas U. Taylor, C. E., of
Austin, Texas, chairman; Mr. E. W.
Hanna, C. E., of Ankeny, Iowa, rep-
resentative of the Reclamation Ser-
vice; and Mr. Fred A. Jones, C. E.,
of Dallas, Texas, representative of the
Water Users' Association. Professor
Taylor is professor of civil engineer-
ing in the University of Texas; Mr.
Hanna was formerly supervising en-
gineer of the Southern Division of
the Reclamation Service, and Mr.
Jones is a well known consulting civil
engineer. All are able and experi-
enced civil engineers, and two of the
members, Mr. Hanna and Mr. Jones,
had given much preliminary study to
the matters coming before the board.

The careful preparation for this hear-
ing was the result in part of the num-
ber and complexity of the matters in
controversy and in part to the wide
difference which exists between the
Water Users' Association and the
representative of the government as
to what is the proper cost to be re-
paid the government by the water
users.

**Disagreement as to Cost of Local
Board.** The records of the sessions
of the local board show that every
feature of construction and operation
and maintenance was investigated
with remarkable thoroughness and
industry by the representatives of
both the Reclamation Service and the
Water Users. At its conclusion, an
agreement was reached as to six of
the seven findings submitted, but the
board was unable to agree on its most
important finding, viz, the amount to
be repaid the government, and major-
ity and minority reports on this mat-
ter were submitted.

Costs. The majority report, signed
by Prof. Taylor and Mr. Jones, finds
that the total costs of the project to
June 1, 1915, was \$12,100,500.00.

In this are included operation and
maintenance charges for several
years, during which time considerable
revenue was received from water
rentals, income from power plants and
from various other sources.

The majority report finds, the
amount of these revenues and credits
to be \$2,200,000.00.

It finds that the books and
records show defective construction,
excessive expenses and
bad management, and that because of
this there should be elimi-
nated and deducted from
the total cost the sum
of \$3,537,809.00
or a total reduction of \$3,537,809.00

Making a total cost to be
repaid \$7,562,691.00

(Continued on Page Three)

BELIEVE EARLY SETTLEMENT OF LUSITANIA CASE IS IN SIGHT

WASHINGTON, Feb. 7.—President
Wilson was taken up with his cabi-
net tomorrow, the latest communi-
cation which Germany hopes will bring
the negotiations over the Lusitania
disaster to a termination satisfactory
to the United States. Official
indication or announcement whether
the offer of the Berlin government is
satisfactory is expected soon there-
after.

The president did not request Sec-
retary Lansing to come to the White
House for a conference today and
the conference which had been
planned did not materialize. The sec-
retary expects to discuss the latest
proposal with the president tomor-
row.

Confidential advisers received today
from high official quarters are to
the effect that the expressions of op-
timism regarding the outcome of the
negotiations, which have been heard
in certain official and diplomatic cir-
cles are not without foundation. Chairman Stone of the senate for-
eign relations committee declared af-
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ernment expresses the hope that it
may have the opportunity to co-
operate with the United States in some
action looking toward freedom of the
seas before the end of the war.

S. P. WON'T HAVE TO SELL ITS LAND

[Republican A. P. Leased Wire]
SAN FRANCISCO, Feb. 7.—The
United States circuit court of ap-
peals decided today that the South-
ern Pacific company cannot be forced
to sell thousands of acres of land
acquired under the congressional
grant of 1871 at \$2.50 an acre. The
question was presented to the court
on a petition of George S. Fullin-
wider, who filed upon a half sec-
tion of land in the Imperial valley
and then demanded that the South-
ern Pacific accept \$2.50 per acre. He
had also lost his case in the lower
courts.

The court held that the rule that
the company should sell the land at
\$2.50 per acre applied to the grant
made the same year to the Texas
Pacific railroad but not to the South-
ern Pacific of California, the original
grantee.

It was said here that several hun-
dred claimants to railroad lands
would be affected adversely.

**PASTOR WOUNDED
BY IRATE WOMAN**

[Republican A. P. Leased Wire]
SHERMAN, Tex., Feb. 7.—Rev.
H. M. Cagle, a widely known north
Texas Baptist minister, was shot
and probably fatally wounded here
today by Mrs. Annie Faust, wife
of Finis Faust, a farmer who lives
near Denison, Tex. Charles Barton,
a by-stander, sustained a flesh wound
in the left arm from one of the bul-
lets. Mrs. Faust, who was arrested
immediately after the shooting, which
took place on the public square, was
released on \$1,000 bond and returned
home.

Mrs. Faust, who it is said, came to
Sherman today on a shopping trip,
had just left a local store when she
encountered the minister, and ac-
cording to bystanders, pulled a re-
volver from her handbag, firing five
shots into his body.

When arrested, Mrs. Faust is al-
leged to have said that the minister
slandered her and she shot in re-
venge.

**MENTION LORIMER
IN BEALE CONTEST**

[Republican A. P. Leased Wire]
SANTA BARBARA, Cal., Feb. 7.—
A national political feud was given
to the second John E. Beale estate
contest today, when the attorneys for
Mr. Beale attempted to show that
Arthur K. Stearns, one of the con-
testing nephews, had been connected
with the Senator Lorimer set in il-
linois.

The attempt was made to re-
ceive an admission from Mr. Stearns
that when he came west a couple of
years ago to see Mr. Beale, that he
traveled on a pass furnished by
Banker of the LaSalle Institution
made prominent in the Lorimer in-
vestigation. Mr. Stearns denied the
implication, but said he had borrowed
the money for the trip from Mr.
Ward.

Mrs. Natalie Sawyer, of Montecito,
today testified to a conversation she
had with Mr. Beale a few months be-
fore his death, in which he expressed
unhappiness in his married life.

**KING CONFERS
WITH PREMIER**

[Republican A. P. Leased Wire]
LONDON, Feb. 7.—A court cir-
cular announces that the king today
received in audience Premier As-
quith, Sir Henry Jackson and Major
General Charles Edward Caldwell.

Mr. Asquith is president of the Im-
perial Defense Committee; Sir Henry
Jackson is first sea lord, General
Caldwell is director of military intel-
ligence.

Special significance is believed to
attach to the conference of the king
with three such important chiefs of
the war operations. It is also noted
that Earl Kitchener, secretary for
war, had a long audience with the
king a few days ago.

**S. P. OIL LAND
CASE CONTINUES**

[Republican A. P. Leased Wire]
SAN FRANCISCO, Feb. 7.—The
government Southern Pacific oil
land cases were resumed here today.
Southern Pacific attorneys continued
to cross examine A. G. Nichols, a
geologist, who gave testimony last
week that certain evidences of oil
were present on the surface of the
Southern Pacific lands.

Nichols admitted that his map of
the lands were incorrect in several
instances. Counsel for the company
considered this admission a victory
and, they said, the government was
going to predicate testimony of ex-
perts upon this map.

electricity service to the residents in
the area.

**PRINCE OSCAR GETS
SECOND WAR WOUND**

[Republican A. P. Leased Wire]
AMSTERDAM, (Via London) Feb.
7.—Prince Oscar of Prussia, fifth
son of Emperor William, has been
slightly wounded in the head and on
the upper part of the thigh by shell
splinters during the fighting in the
Eastern war theater, according to a
Berlin official report received here.

Prince Oscar was wounded at Vir-
ton, Belgium, in September 1914.
He was ill for a long time and was
declared to be suffering also from
an affection of the heart. He re-
turned to duty in the field in No-
vember, 1914, narrowly escaped cap-
ture the following month in the
fighting in Poland.

PARTY LINES GONE IN FIGHT FOR ADEQUATE NATIONAL DEFENSES

Opening Gun Is Fired In
Congress When House
Passes Two Important
Navy Measures Without
Dissenting Vote

[Republican A. P. Leased Wire]
WASHINGTON, Feb. 7.—Speaker
Clark and Republican Leader Mann
fought side by side in the house today
for adequate national defense. With
party lines obliterated most of the
members followed their leaders and
two navy measures passed without a
dissenting vote. One, to provide for
adding three hundred midshipmen to
the entering class at Annapolis next
July, passed 173 to 0 and the other to
equip navy yards for construction of
battleships numbers 43 and 44, passed
without a roll call.

Mr. Mann tried to put the anti pre-
paredness advocates on record by call-
ing for a division on the naval acad-
emy bill, but there were no negative
responses.

The appearance of Speaker Clark on
the floor to champion preparedness
measures aroused wide interest. Rum-
ors persisted that he would take active
charge of the fight to increase the
army and navy. Majority Leader Kitch-
en in having joined the opposition.

Immediate improvement of the navy
by designing new battleships along the
lines of the best now in use, doubling
the membership of both Annapolis and
West Point, creation of many additional
regiments for the army and the
short term enlistments to produce a
reserve were among the suggestions
made by the speaker. He said he ex-
pected to discuss soon the subject of
preparedness generally.

Mr. Mann reiterated his previous
pleas for a larger army and navy and
aided in maneuvering the bills to pas-
sage. "This is not the time for crimina-
tion and recrimination," said he. "It
is not the time for finding fault with
that which has been. It is the time
for all to join hands for that which
may come."

The debate went far afield from the
measures under consideration, extend-
ing to the general subject of military
preparedness. The unusual sight of
the speaker and the minority leader
battling together for administration
measures while the majority leader sat
silently in the back of the house, at-
tracted crowds to the galleries, and
members rushed to the floor from their
offices and committee rooms.

Mr. Clark urged haste in getting new
battleships into commission. He asked
Chairman Padgett of the naval com-
mittee why it would not be a good
plan to pattern the two battleships
numbers 43 and 44 after the best Uni-
ted States ship afloat and get them
completed quickly.

"Simply because" Mr. Padgett said,
"the chief of the bureau of construction
told us that he had plans worked
out that would make decided improve-
ments against torpedo attacks."

"Why do they not put those plans
into operation?" the speaker continued.
"They will," Mr. Padgett said, "as
soon as they get authority provided in
this resolution."

"We shall all die of old age before
they are completed at this rate," the
speaker responded.

Representative Padgett told the
house that three ships—the Oklahoma,
Nevada and Pennsylvania—regarded as
the three best in the work at the time
they were laid down, would be com-
pleted and put in commission during
this winter. The two battleships
numbered 43 and 44 in the early
summer, one in the autumn.

"If any emergency should arise" he
added, "a very small resolution of con-
gress carrying the necessary appropria-
tion could provide for extra ships."

Representative Cannon of Illinois,
created a stir by asking if the talk of
preparedness was a sham performance
for campaign purposes. Later he said
he did not intend the remark as a criti-
cism of the president.

"The gentleman was trying to put in
a nice way a very nice criticism of the
president, but he did not get away with
it," Representative Fitzgerald of New
York said.

"The president of the United States,"
answered Mr. Cannon, "is my president
as well as your president, and if I can
find out what is the proper thing to do,
if it is necessary to do anything, I
stand ready to help him do it."

"If we ever have another war, which
I do not believe we will have, if we at-
tend to our own business," Speaker
Clark said, while advocating the naval
academy bill, "what we will need more
than anything else will be the mys-
tery of the president."

(Continued on Page Ten)

**MAY BUILD SERIES OF DAMS TO
CONTROL UPPER COLORADO RIVER**

[Republican A. P. Leased Wire]
YUMA, Ariz., Feb. 7.—That plans for
the construction either of a large dam
or a series of dams across the upper
Colorado river to prevent floods, was
under consideration by officials of the
United States reclamation service be-
came known here today when it was
learned that a number of surveys had
been sent along the river to ascer-
tain what cultivated areas would be af-
fected by such work.

The surveys, it was said by local
officials, would select available loca-
tions for dams and mark the lands ad-

CHRISTMAS FROLIC LEADS TO DISMISSAL

DAVIS, Cal., Feb. 7.—Seven
students at the University of Cal-
ifornia farm located near this
city have been dropped from the
rolls by Dean H. E. Vannerman.
One of them is the son of a Los
Angeles millionaire. It is re-
ported that a Christmas eve
dance attended by six unchaper-
oned girls from Sacramento,
which ended in a midnight tour
of the boys' dormitory, resulted
in the dismissals. It is stated
one of the mothers of the boys
was told the story and made a
personal investigation.

TREATY CHANGES DO NOT PLEASE SENATE DEMOS

[Republican A. P. Leased Wire]
WASHINGTON, Feb. 7.—Approval
has not been given by President Wil-
son and democrats of the senate are
by no means unanimously in favor
of amendments to the Colombian treaty
reported last week by the senate for-
eign relations committee.

It developed today that a strong ef-
fort probably will be made in the
senate to defeat the changes which
"would reduce the proposed indemnity
to Colombia for the partition of Pan-
ama from \$25,000,000 to \$15,000,000
and to revise the wording of the ex-
pression of regret."

Minister Betancourt of Colombia,
called on Secretary Lansing during
the day and was assured that the
president had not given his approval
to either of the amendments. Later
it became known that many of the
democrats of the foreign relations
committee passed the changes.

A Republican, Senator Smith of
Michigan, by changing his vote on
the tie in the committee, carried the
amendment reducing the indemnity
by \$10,000,000.

"I voted against the amendment
first," said Senator Smith today,
"because I am opposed to the treaty.
I am opposed to the United States
paying one dollar to Colombia. But
when I saw how close the committee
stood on the issue, I concluded that
fifteen million dollars was ten mil-
lion dollars less than twenty-five and
I changed my vote. Now I am glad
it became law as it has started a
row."

Tomorrow Senator Stone, chairman
of the foreign relations committee,
plans to call up the Nicaraguan \$3-
600,000 bill providing for acqui-
sition of an option on the Nicaraguan
Canal route and naval bases on the
Fonseca bay.

Senator Borah proposes to move
that the Nicaraguan treaty be con-
sidered in the open senate, but ad-
ministration leaders are opposed to
breaking precedent of discussing
treaties in executive session. Today
Senator Borah issued a statement on
the subject.

"Have we one foreign policy for
small and weak nations, and another
policy for somewhat larger and more
powerful nations, and a third pol-
icy for a very strong and powerful
nation?" he asked. "For four years
our warships have shadowed the
capital of Nicaragua and for four
years our marines have been camped
in Managua."

(Continued on Page Two)

Russian Official Statement
PETROGRAD, Feb. 7. (Via London,
Feb. 8, 1:32 a. m.)—The following of-
ficial statement was issued today:

In the White House grounds of that
nation. Now, at the end of that
time, we are seeking to force a
treaty with that nation, and the only
representative of Nicaragua, is a
so-called president of the republic,
which does not represent the people
of Nicaragua, but who was put into
power and remains in power, by vir-
tue only and alone of our govern-
ment. The sole authority for his
acting in behalf of Nicaragua are
the marines who are camped in
Managua."

terious German raider to be brought to
Hampton Roads.

Collector Hamilton said tonight he
had received no word from Washing-
ton concerning the status of the Ap-
pen or of the thirteen Germans for-
merly civil prisoners of England who
requested that they be allowed to land
from the Appam.

The Appam today was allowed to
load 200 tons of coal for port use.

Berg Is Identified
BERLIN (Via London) Feb. 8.—Lieut-
enant Hans Berg, commander of the
prize crew which recently took the
British steamer Appam into Hampton
Roads, has been identified as Hans
Berg of Apenrade, a naval reservist
and master in peace time of the tramp
steamer Gamma, belonging to the An-
shenkiel and Clausen line.

Berg served as a one year volunteer
in the navy and was called to the col-
ors at the outbreak of the war and pro-
moted to be a lieutenant six months
ago.

While on a furlough last year Berg
told his wife in Apenrade not to be dis-
turbed if she heard nothing from him
in a long time. As a matter of fact his
wife has had no letter from him and
been unable to write him for many
months as his address was unknown.

The German steamer Gamma is a
vessel of 2,340 tons. She was last re-
ported in port at Rotterdam.

(Continued on Page Ten)

**THE HARVARD RAMS AND SINKS
STEAMER INSIDE GOLDEN GATE**

[Republican A. P. Leased Wire]
SAN FRANCISCO, Cal., Feb. 7.—
The Pacific Navigation Company's
fast passenger Turbiner Harvard, in-
ward bound from San Pedro ran
into and sank the steam schooner
Excelsior tonight in San Francisco
harbor during a dense fog. The Ex-
celsior, outward bound in ballast,
was struck on the starboard beam
and went down slowly, giving all
hands ample time to find safety in
the launches that were quickly
alongside. A report that one mem-
ber of the crew was missing could
not be confirmed. The Harvard was
undamaged.